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## HOMEOWNERSHIP

Homeownership is defined in the HOME Program as possessing any one of the following:

- ♦ Fee Simple Title.
- ♦ 99-year leasehold interest.
- ♦ Ownership or membership in a condominium or cooperative unit.
- ♦ Other forms of ownership approved by the Department of Housing and Urban Development (HUD) such as land sales contracts, contracts for deeds, lease-purchase arrangements and comparable ownership forms may be considered on an individual basis subject to prior County approval.

## RECAPTURE/ RESALE

The Recapture Period will typically range from 10 to 20 years. During the Recapture Period, any sale, transfer, refinance or failure of the owner to occupy the property will trigger repayment of the deferred loan amount.

## HOW TO APPLY

Actual loan applications and nominal application fee (payable to the County of San Bernardino) will be accepted only through County-approved lenders. To obtain a list of approved lenders/loan officers, please call the County of San Bernardino Department of Economic and Community Development.



**EQUAL HOUSING  
OPPORTUNITY**

*All County of San Bernardino Department of  
Economic and Community Development housing  
programs comply with Federal Fair Housing Laws.*

**COUNTY OF SAN BERNARDINO  
BOARD OF SUPERVISORS  
PRESENTS THE**



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## HOME HOMEOWNERSHIP ASSISTANCE PROGRAM (HAP)

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**DEPARTMENT OF ECONOMIC AND  
COMMUNITY DEVELOPMENT**  
290 North D Street, 6th Floor  
San Bernardino, CA 92415-0040  
(909) 388-0912  
(909) 388-0920 (FAX)

## PURPOSE

The Homeownership Assistance Program provides financial assistance to eligible households for the purchase of a home. HOME funds may be used for:

- ◆ Closing costs.
- ◆ “GAP”\* financing.

\* Difference between the market value of the property and the First Mortgage that is affordable to the purchaser, up to the maximum GAP Assistance.

## ASSISTANCE

Assistance is in the form of a deferred loan (Silent Second) and will be secured by a second trust deed.

## BENEFITS

Benefits of the Program include:

- ◆ No monthly payments.
- ◆ 0% Interest.
- ◆ Lower monthly housing payments.
- ◆ Reduced debt-to-income ratio makes it easier to qualify for a home loan with a private lender.
- ◆ Repayment due only upon the sale, refinance, or transfer of the property.
- ◆ Tax write-offs in the form of interest deductions.
- ◆ Property value appreciation and accumulation of equity.
- ◆ A measure of security, stability and control over living situation.

## ELIGIBILITY

### Applicant Criteria:

- ◆ Household annual gross income can not exceed the maximum income level (See chart below).

| Family Size | Maximum Income* | Maximum GAP Assistance |
|-------------|-----------------|------------------------|
| 1           | \$30,400        | \$30,000               |
| 2           | \$34,750        | \$32,000               |
| 3           | \$39,100        | \$34,000               |
| 4           | \$43,450        | \$36,000               |
| 5           | \$46,900        | \$38,000               |
| 6           | \$47,350        | \$40,000               |
| 7           | \$50,600        | \$42,000               |
| 8           | \$53,850        | \$44,000               |

\* FY-2003 Income limits subject to change.

- ◆ Live or work in San Bernardino County one year prior to application.
- ◆ Able to contribute at least 3% of the purchase price toward the down payment.
- ◆ Arrange private lender financing for, and make full monthly payments on first loan.
- ◆ Maximum sale price may not exceed the FHA Loan Limits established for the County.

## ELIGIBILITY *(Continued)*

- ◆ Does not currently own a home (except as allowed by HUD).
- ◆ Arrange for 30-year fixed rate private lender financing in the form of an: FHA loan; FANNIE MAE Community Homebuyers loan with the 3/2 option; Farmers Home Loan; San Bernardino County Single Family Mortgage Revenue Bond Programs; or other loan programs with prior County approval.

### Property Criteria:

- ◆ Applicant's principal residence.
- ◆ Single unit family home.
- ◆ Condominium Unit.
- ◆ Cooperative Unit.
- ◆ Manufactured Housing.\*
- ◆ Newly constructed or resale housing units that meet HUD Housing Quality Standards at close of escrow.
- ◆ Homes purchased with HAP assistance must be owner-occupied or vacant when offered for sale.

\* On its own lot and affixed to a permanent foundation..

### Area:

The home may be located anywhere in San Bernardino County, **except** in the Town of Apple Valley and the cities of Chino, Fontana, Hesperia, Ontario, San Bernardino, Upland and Victorville. (Contact these entitlement cities directly if you plan to purchase a home within their city limits. Eligible areas subject to change.)